

Exhibit 28

*State of California ex. rel. Ven-A-Care of the Florida Keys, Inc. v.
Abbott Laboratories, Inc., et al.*

Exhibit to the Declaration of Rita Hanscom in Support of Plaintiffs' Sur-Reply in
Opposition to Dey, Inc. and Dey, L.P.'s Motion for Partial Summary Judgment

I N T E R
O F F I C E

DEY, L.P.
MEMORANDUM

TO: Russ Johnston

cc: D. Bronstein

FROM: Todd Galles



DATE: August 10, 1999

RE: New 105-01 Albuterol Multidose Medicaid letters

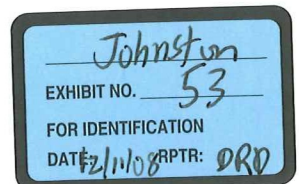
Attached please find the approved letters for our new Albuterol Multidose product. There are two letters: one for the states requiring WAC pricing; they get the letter with both WAC and AWP prices listed, and the second letter for the other states that base reimbursement off AWP; they get the letter that lists only AWP price. There are 9 states that I know of that require WAC notification. All others need only the AWP. The letters should be copied onto letterhead.

Other recommended attachments which may be required for certain states are attached, and include a photocopy of the carton labeling (this states the manufacturer), and the ANDA approval letter.

Let me know if you need anything else. Please advise when the mailing is complete. Many thanks.

Attachments:

WAC letter
AWP letter
carton labeling
ANDA approval letter



DL 63384

August 10, 1999

State Medicaid Administrator

Dear Administrator:

During the week of July 26, 1999, Dey introduced a new *sterile*-produced **Albuterol Sulfate Inhalation Solution 0.5%** multidose concentrate, replacing the current 0.5% Albuterol solution. In compliance with the FDA proposed rule that will "require all inhalation solution products, including those currently approved, be manufactured as sterile", Dey is among the first companies to offer a *sterile* multidose formulation. Even though the FDA guidelines for sterile-produced products have not yet been formally mandated, in keeping with our unit-dose products, which have always been sterile, Dey felt it was important to make this change.

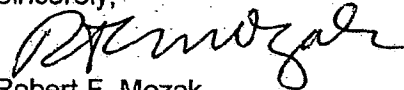
Our new multidose concentrate is AN rated to Proventil® and Ventolin® Inhalation Solutions. **Pricing and case packs remain constant. However, the NDC number will change as indicated below.** Please update your records accordingly and note that Dey has a current Medicaid rebate agreement with the Federal Government.

NDC Number	Description	Units per Case	WAC per Unit	AWP per Unit
NEW 49502-105-01	Albuterol Sulfate Inhalation Solution 0.5%	72	\$5.05	\$14.99
OLD 49502-196-20	Albuterol Sulfate Inhalation Solution 0.5%	72	\$5.05	\$14.99

As you know, WAC is referred to by data reporting services and government agencies as an "estimate," and Dey believes that WAC generally means the invoice price charged by a pharmaceutical manufacturer to drug wholesalers. As you also know, WAC does not include the net effect of discounts from invoice price (based on volume of purchases, speed of payment and other factors), rebates, chargebacks, administration fees and other such cost adjustments which are well-known and commonplace in the pharmaceutical industry and can affect, to a greater or lesser degree, the actual "final" cost to each purchaser. These discounts may not be determined until some months after the date of invoice. Therefore, we remind you that WAC may well not be representative of actual market costs to those entities which you are reimbursing under Medicaid. Further, as you also know, the Average Wholesale Price (or "AWP") per unit listed above does not represent actual wholesale prices which will be charged or paid for this product. It is Dey's practice to set an AWP before a product is first sold and not subsequently to change that figure. We understand that this is consistent with industry practice and is understood by state and federal Medicaid regulators.

If you need additional information, please feel free to contact Todd Galles, Senior Product Manager, at 800-755-5560, ext. 7450.

Sincerely,



Robert F. Mozak
Executive Vice President
Sales and Marketing

August 10, 1999

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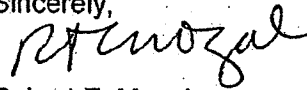
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